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ALBERTA GAS TRUNK LINE

April 25, 1979

FOR IMMEDIATE RELEASE

CALGARY, ALBERTA --- Dome Petroleum Limited and TransCanada Pipelines have reached agreement as to major natural gas transmission planning with The Alberta Gas Trunk Line Company Limited, a sponsor of the Alaska Highway Pipeline and Arctic Pilot Projects and of Pan-Alberta Gas Ltd.

The Agreement features: joint corporate support of early new markets being added for Alberta-produced gas and early gas marketing action for all producers; the recognition of the merit of using existing pipeline capacity in Canada; TransCanada's gas purchase obligations being covered; TransCanada's participation in the Saskatchewan and Northern Border segments of the Alaska Highway Pipeline Project; and Dome and TransCanada joining in maximum effort to ensure early construction of the Northern Border and Pacific Gas Transmission "pre-build" segments followed by the entire Alaska Highway Pipeline Project.

Alberta Gas Trunk is to negotiate for TransCanada a 49% interest in the Saskatchewan segment of the Project and to support TransCanada's negotiations to acquire a 35% interest in the connecting Northern Border segment to Illinois. TransCanada and Dome are to join in a maximum effort to support construction of the entire Alaska Highway Pipeline Project and the Pan-Alberta exports of gas via Northern Border.

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Natural gas export applications by the parties and their affiliates will be combined in a joint application to the National Energy Board. The joint application is to cover all gas export supply commitments of TransCanada and of Pan-Alberta including such gas as is offered to Pan-Alberta by Progas producers. In view of this undertaking, Dome has withdrawn from Progas.

Eastbound gas export deliveries by TransCanada and Pan-Alberta are to be through the existing facilities of TransCanada and through the Canadian and Northern Border segments of the Alaska Highway Pipeline Project when operational. As part of a general undertaking to maintain a minimum operational supply through the Northern Border facility, there is a provision for maximum efforts by TransCanada to divert export deliveries by TransCanada through Northern Border if required and to the extent allowed by growth in the Canadian market. Westbound gas export deliveries are to be by Pan-Alberta through the Canadian and Pacific Gas Transmission segments of the Project.

The agreement has a provision for also integrating in the single application the gas export supply proposed by Petro-Canada from its Arctic Pilot Project. Petro-Canada would undertake a major Canadian Arctic natural gas liquefaction and ice-breaking tanker operation, pursuant to an application now before the National Energy Board.

Alberta Gas Trunk will also give maximum effort to informing Dome and TransCanada of costs and timing for moving Northern Canadian gas from the Western Arctic through a Dempster line connection to the Alaska Highway Pipeline Project. Subject to the approval of Westcoast Transmission, which is equal partner to Alberta Gas Trunk in the sponsorship of all Canadian segments of the Project, TransCanada would have a right of participation in the Dempster Line. Dome and TransCanada may also sponsor study of other systems for moving Northern Canadian gas.

The principles of agreement provide for the parties working together on plans to deliver additional gas to eastern Canadian markets to stimulate faster growth and national self-reliance in gas.

Work is proceeding promptly to put these principles and their implementation into effect in regard to the Alaska Highway Pipeline Project, Pan-Alberta's and TransCanada's gas supply and export marketing and all related business arrangements and regulatory applications.

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